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FEDERAL COMMUNICATIONS COMMISSION

[WC Docket No. 17-310; DA 19-1253; FRS 16373]

Wireline Competition Bureau Provides Guidance On The Implementation Schedule For Reforms Adopted By The Rural Health Care Program Promoting Telehealth Report And Order

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: In this document, the Federal Communications Commission (the Commission or FCC) announces the intended schedule for the newly adopted reforms in the Rural Health Care Promoting Telehealth Report and Order.

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SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Public Notice in WC Docket No. 17-310; DA 19-1253, released December 10, 2019. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY-A257, 445 12th Street, SW, Washington, DC 20554 or at the following Internet address:

<https://docs.fcc.gov/public/attachments/DA-19-1253A1.pdf> .

On August 20, 2019, the Commission released a Report and Order reforming the rules for the Rural Health Care (RHC) Program to promote transparency and predictability, and further the efficient allocation of limited program resources. The Commission stated the adopted reforms would generally become effective, unless otherwise indicated, 30 days after publication of both the Rural Health Care Promoting Telehealth Report and Order (*Order*), FCC 19-78 and the Federal Register final rule summary (84 FR 54952, October 11, 2019; effective November 12, 2019). The Commission separately indicated when particular reforms would apply in funding year 2020 versus funding year 2021, and provided an implementation schedule summary "to ease the burden on program applicants." The Commission noted, however, that, to the extent reforms require review pursuant to the Paperwork Reduction Act (PRA) of

1995, such reforms would take effect immediately upon announcement in the Federal Register of Office of Management and Budget (OMB) approval.

To provide further guidance to RHC Program participants, the following is the intended implementation schedule for the newly adopted reforms:

Funding Year 2020 Competitive Bidding (January 1, 2020)

- Similar services evaluated based on advertised speeds 30% above or below the speed of the requested service, *Order* at paras. 15-16; and
- Revised and harmonized competitive bidding certifications, *Order* at paras. 156, 157, 172, 200; 47 CFR 54.622(e)(1)(i) through (ix).

Opening of Funding Year 2020 Application Window (February 1, 2020)

- Elimination of limitation on support for satellite services, *Order* at paras. 92-97;
- All Healthcare Connect Fund consortia must comply with majority-rural requirement, *Order* at paras. 147-49;
- Prohibition on directly or indirectly soliciting or accepting gifts, *Order* at paras. 166-69; 47 CFR 54.622(h)(1) through(4);
- Extension of Healthcare Connect Fund Program competitive bidding exemptions to the Telecommunications Program, *Order* at paras. 163-65; 47 CFR 54.622(i)(1) through (5); and
- Revised and harmonized funding request certifications, *Order* at paras. 156, 168, 170, 172, 200; 47 CFR 54.623(a)(1)(i) through (x).

Start of Funding Year 2020 (July 1, 2020)

- Annual inflation adjustment of \$150 million cap on multi-year commitments and upfront payments, *Order* at paras. 138-140; 47 CFR 54.619(a)(1) through (2);
- Prioritization of funding if demand exceeds the annual funding cap, *Order* at paras. 107-143; 47 CFR 54.621(b);
- Program-wide service delivery deadline, *Order* at paras. 180-82; 47 CFR 54.626(a);

- Program-wide invoice deadline, *Order* at paras. 188-89; 47 CFR 54.627(a); and
- Revised and harmonized invoice certifications for applicants and service providers, *Order* at paras. 168, 170, 172, 192-93, 200; 47 CFR 54.627(c)(3), (d).

FY 2021 Competitive Bidding (July 1, 2020)

- Competitive bidding begins on July 1 prior to the start of the applicable funding year, *Order* at paras. 173-75;
- Reformed method of determining urban and rural rates by the Administrator, including publishing median urban and rural rates for eligible services in a publicly available database, *Order* at paras. 21-67, 76-91; 47 CFR 54.604(a) through (b), 54.605(a) through (b);
- New standard of review for seeking a waiver of median rural rate determined by the Administrator, *Order* at paras. 68-75; 47 CFR 54.605(c);
- Establish expanded consultant registration process, *Order* at paras. 170-71;
- Applicants must list the services for which they are seeking bids rather than what they need services to do*, *Order* at paras. 154-55; 47 CFR 54.622(d);
- Applicants must specify minimum requirements for weighted bid evaluation criteria, including whether they require service level guarantees*, *Order* at para. 158; 47 CFR 54.622(d);
- Applicants must specify any disqualification factors that may be used to remove bids from consideration*, *Order* at para. 158; 47 CFR 54.622(d);
- Applicants must provide details of aggregate purchase arrangements with other entities*, *Order* at para. 157; 47 CFR 54.622(e)(2)); and
- Applicants must submit declaration of third-party assistance with competitive bidding form*, *Order* at paras. 158, 170; 47 CFR 54.622(e)(4)).

The *Order* anticipated that the five foregoing reforms marked with an asterisk (*) would be implemented in funding year 2020. More time is required to obtain PRA approval of the rule changes from OMB, however. These reforms will, therefore, go into effect for funding year 2021.

Opening of Funding Year 2021 Application Window

- Requirement that USAC open an initial application filing window with an end date no later than 90 days prior to the start of the funding year, *Order* at paras. 176-79; 47 CFR 54.621(a);
- Elimination of distance-based support in the Telecommunications Program, *Order* at paras. 98-101; and
- Revised and harmonized program-wide documentation requirements for competitive bidding and funding requests, *Order* at paras. 156, 158, 172, 200; 47 CFR 54.622(e)(3) through (5), 54.623(a)(3).

Start of Funding Year 2021 (July 1, 2021)

- Requirement that all Healthcare Connect Fund applicants submit an annual report, 47 CFR 54.618(b).
- Service providers must submit declarations of third-party assistance with invoices*, *Order* at para. 170;
- Program-wide requirements for site and service substitutions and Service Provider Identification Number (SPIN) changes*, *Order* at paras. 194-99; 47 CFR 54.624, 54.625;
- One-time 120-day extension of the program-wide invoice deadline*, *Order* at paras. 190-91; 47 CFR 54.627(b); and
- Ability to seek an extension of the program-wide service delivery deadline*, *Order* at paras. 183-87; 47 CFR 54.626(b).

The *Order* anticipated that the four foregoing reforms marked with an asterisk (*) would be implemented in funding year 2020. More time is required to obtain PRA approval of the rule changes from OMB, however. These reforms will, therefore, go into effect for funding year 2021.

Federal Communications Commission.

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